this process would not affect, in any manner, the seniority of the promotees, which has to be determined on the basis of continuous officiation.

(c) The seniority list was revised as per the directions of the Central Administrative Tribunal. This list will be further modified as per the directions of the Hon'ble Supreme Court. No default on the part of any officer is involved.

Misuse of powers etc. in Nationalised Banks

213. SHRI KRISHNA KUMAR BIRLA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that a recent study by the Central vigilance Commission has revealed gross misuse of powers, favouritism, falsification of records, prevalence of illegal gratification and misappropriation of money in the nationalised banking sector in the country;

(b) if so, what are the details thereof; and

(c) what action has been taken or is proposed to be taken by Government to review the entire system and procedures and to formulate a comprehensive scheme to remove the malady from the banking service in the country besides identifying the officials involved in such malpractices?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) In its Annual Report for 1985, the Central Vigilance Commission has analysed 564 cases relating to the banking sector, which had been received by the Commission during the years 1983, 1984 and 1985. The analysis of these cases showed various acts of misconduct viz exceeding of delegated powers, showing of favours; falsification of records; illegal gratification, mis-appropriation of money, acquisition of disproportionate assets etc. The Commission has stated that the objective of the analytical study has been to observe the types and forms of misconduct and malpractices, the *modus operandi* and the operational reasons, which provide scope for corruption and that this is expected to have preventive value.

(c) To prevent frauds, corruption etc. banks are taking steps to strengthen their control mechanisms including internal audit/inspection machinery, and to make them effective so as to eliminate the scope for frauds and malpractics. The vigilence machinery in banks is also being strengthened and made more effective. Reporting and detection of frauds is also being improved. Banks are also taking a serious view of irregularities committed by their employees and have been initiating action to inflict punishment befitting the seriousness of the irregularties, on the delinquent employees.

Bank Loans written off by the Nationalised Bank

214. SHRI KRISHNA KUMAR BIRLA:

SHRI J.P. GOYAL:

Will the PRIME MINISTER be pleased to state:

(a) the number of cases during the last three years in which bank loans above Rs. 5 lakhs were written off by the nationalised banks in the country stating the total amount written off so far and its percentage against the total amount of loans granted;

(b) what are the reasons for writing off loans;

(c) whether Government have made any inquiry into the grant of these loans to know whether the loans were granted by showing favouritism, without going into the financial soundness of the parties concerned and the lacuna, if any, in the procedure for granting loans;

(d) if so, what is the outcome thereof stating the action taken by Government to fix responsibility in this regard; and

(e) what is the percentage of cases, if any, where the loanees utilised the loans for the purpose other than those for which loans were granted?